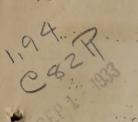
U.S.D. A. AGR. ADJUST. ADMIN.



THE WORLD COTTON SITUATION AS IT RELATES TO THE PROPOSED REDUCTION IN COTTON PRODUCTION IN THE UNITED STATES.

JUL 11 1933



A radio address by Mr. Cully A. Cobb, Agricultural Adjustment Administration, broadcast by the Columbia Broadcasting System (Dixie network) Saturday, July 1, 1933.

STALLS From

. There are some among us who seem to be considerably disturbed about what may happen in foreign cotton producing countries as a result of the present curtailment program our cotton farmers are now putting into effect. Some are contending that if the United States decreases production other countries will promptly proceed to increase theirs with a consequent benefit all at the expense of cotton growers here in the United States. In the first place, it must be remembered that our immediate purpose is to pull down the crushing supply of cotton now on hand. Beyond that our objective will be to bring about a better relationship between supply and demand. We expect to hold our supremacy. In the second place, those who are familiar with the history of cotton production must recall the fact that the greatest unoccupied cotton territory in the world is right here in the United States. It is expansion in this country that we have to fear rather than expansion elsewhere. However it is well enough to discuss the whole cotton situation in order to see just exactly what the world prospects are. To begin with, the United States produces about 50% of all cotton produced. We are not only the major cotton producing country in the world but we can continue to hold that place in spite of propaganda intended to scare us into believing something el se.

In number of bales, India is our closest competitor. India's output averages around 4 million bales annually. Most of which is of very poor quality. Get your map down and look at India. In comparison with the United States you will find that her total area is about two-thirds that of our country. You will notice a desert area stretching almost from the Bombay to the Himalya's. You will notice also that for the most part the cotton area occupies the high plateau country of Central southern India where the rain fall is more or less erratic and not to be compared to that in the cotton belt of the United States. A glance at population figures shows 320 million people to be clothed and fed. That is more than two and a half times our population. The problem then is to keep body and soul together. The India Farmer will hardly starve voluntarily in order to keep on growing cotton just because somebody else wants him to. The average farm in India runs from three to five acres. The average farmer not only uses the crudest agricultural implements in any civilized country in the world but knows nothing of scientific farming as we apply it here in the United States. He cultivates poor land that has been continuously cropped through countless centuries. I am told that the manure is dried and used for fuel. True, it may be possible to expand the cotton in India in the irrigated territory, but this sort of expansion is limited and expensive. The average yield of cotton in India is not only of the poorest quality but ranges around 100 pounds of lint per acre annually. About the same situation holds in China, the third cotton country of the world. So far as we know there is nothing (over)

to fear from the Chinese, as a matter of fact they are big importers of American Cotton.

We, of course, have heard much about what Russia is going to do. She did embark upon a most ambitious program but her experience has been all but satisfactory. Nothing is to be feared by the attempts at expansion from those who do not know how cotton grows or where it can be grown.

The Russians went into territory about as far north as Chicago; tried their hand, failed and are out now. News dispatches say her acreage is being reduced by some 25%. As a matter of fact Russia is withdrawing to the deserts of Turkestan from whence her principal output has come for ages.

Again, if you will look at the cotton map of the world you will find that the Russians are occupying the desert country stretching back from the Caspian Sea toward ancient Mongolia. The farms principally lie along a couple of rivers emptying into a dead sea. It is a desert country. Practically all cotton in Russia is grown by irrigation. Irrigation anywhere means high prices. Weather records definitely indicate she will have to irrigate from now on for the dry spell that has continued over centuries shows no promise of being broken. You could give Russia her labor as long as she has to pay for irrigating her cotton crop and we would still have little or nothing to fear.

Again, if you will look at the map you will discover that Russia has a transportation problem of the most difficult and expensive order. The fact of the matter is Russia's present annual cotton crop in bales exceeds only by a few hundred thousand the number she was producing before the world war. If her people were fairly clothed she would need infinitely more cotton than she is now producing. As to Egypt, the situation can be reported as remaining practically unchanged. The building of the dam on the Upper Nile a few years ago will help some but it must be remembered that the farm lands of Egypt are bounded by a couple of walls' that shut the valleys in from the desert. Egypt can expand her cotton to a degree but at the expense of food and feed. Even so, something is being said about the increase in acreage in Egypt. It will have to be as much as 16% to make up for the decrease occurring in recent years. A great deal of money has been spent trying to make a cotton country out of Africa, but with almost negligible results. A statement before me made recently to the British Cotton Growers Association in Manchester admits that in Nigeria the situation "continues to be rather disappointing". In South Africa, in that wast area between the Congo and the Pongola River the report says, "Prices and Pests have militated against us" and the frank admission is made that "the former we cannot combat". And complaint is made of lack of progress in the Anglo-Egyptian Sudan.

I have also before me a picture of three of the more highly cultured and more elegant natives of this vast untamed region. If what they have on in the way of clothes is an indication of their desires and need, the answer is "negligible".

These brethren are strong looking fellows apparently good natured and also apparently not at all interested in work. As a matter of fact, this lack of interest in work has been a chief obstacle to increased cotton production in Africa.

The philosophy of the natives of that vast region is to the effect that if one bale of cotton will produce what he needs why grow two. So the upshot is, he doesn't always grow one. At that they should easily be able to adjust their needs to the supply however scant the supply may be.

Then again, Africa is many thousands of miles away from the great consuming centers. Cotton is moved out of the deeply buried Cotton Belt on Cammel trains, hundreds of miles and then a thousand miles to port. Then it is carried other thousands of miles to the great consuming centers.

As I look at the picture of the modern cotton gin situated away back in the mountains of Nuba, a thousand miles from the sea, and when I recall the almost fanatical devotion of the natives to leisure, I can't get excited about competition from Africa.

In South America, there apparently is a lot of good cotton country, mostly in Brazil, but the creation of a great cotton country there is a long way off.

There is the problem of the native again. These Brazilian natives are also leisure loving, ignorant, superstitious and quite satisfied. Thank you.

Doubtless the road to a cotton empire there lies through the taming of the wilderness, first making it a crude cattle country, then a better cattle country. At some distant day when the natives have been educated, the land cleared and settled by an ambitious population it may become a cotton country.

Now I am not minimizing the foreign competitive situation. I am simply trying to present the facts as they are.

The United States has the best cotton country in the world. Ours is the only country where climatic conditions are naturally favorable, where a cultured population lives and where modern methods of scientific farming are applied. Ours is the only cotton country in the world served by modern transportation facilities. It is the only country that markets a major part of its crop at its door.

All this, however, is not saying that in cotton production, we have reached the millenium. Indeed, we have not, I am saying, however, that there is no threat to our supremacy, even the supremacy of the better cotton lands of the United States, if the farmers do a few things better than these things have been done in the past.

I have in mind the necessity for producing more pounds of better lint cotton to the acre; of seeing to it that it is ginned better, wrapped better and sold better; and that a sustained effort is made to adjust production to demand. This is not only necessary to the securing of a fair price, but it is necessary to maintain soil fertility and produce at minimum cost.

Let me repeat that we have little to fear from other countries, indeed, nothing, if we do our job with becoming intelligence and efficiency. Nature has given us the best cotton country on earth, it is for us to make it a land of plenty. That is the object of the campaign that now is on.

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## COTTON ADJUSTMENT

A radio talk by Mr. Oscar Johnston, Agricultural Adjustment Administrated in the Department of Agriculture period, National Farm and Home Hour, broadcast by a network of 48 associate NBC radio stations Monday, July 3, 1933.

The Administration is making a sincere effort to restore prosperity to the nation. Plenary powers have been vested in our Chief Executive, and under these powers he is making a strenuous attempt to end depression and to restore prosperity.

Under the guidance of General Hugh Johnson, industry is being asked to set its house in order and to coordinate the forces of labor and capital to the end that, in accordance with the privileges and powers conferred by the National Industrial Recovery Act, business may recover. Appropriate legislation has been enacted designed to facilitate the extension of credit to our home owners, both in the country and in the towns and cities. Credit, both industrial and agricultural, is now available under the provisions of our sundry emergency credit laws. A coordinator has been appointed and empowered to aid in the restoration of prosperity to our transportation system. By virtue of the Glass-Steagall Bill it is believed that our banking laws have been materially strengthened and that the haunting fear which has shaken the confidence of our people in their financial institutions may be banished. Efforts are being made both through the instrumentality of the International Economic Conference at London and by means of direct diplomatic negotiations with other nations, to improve our foreign trade relations and to provide a market for our agricultural commodities. As a part of this nation-wide comprehensive program the Agricultural Adjustment Act was passed, and under the provisions the Department of Agriculture ---- acting through the Agricultural Adjustment Administration, is charged with the task of improving the financial condition of agriculture, and in obedience to the mandate given it is making an effort to procure the cooperation and assistance of the farmers of America in its effort to restore agricultural commodities to the fair exchange value which existed during the pre-war period when the world was at peace and when prosperity obtained.

These efforts are being made to lift us out of the slough of despond in which we have been bogged for almost four years. The success of this program is dependent directly and immediately upon the success of each of the undertakings enumerated. The nation cannot recover economically if some forty million of its people dependent upon agriculture remain in poverty. Unless the financial condition of the farmer can be improved, all of the efforts of this Administration will have been in vain. The activities engaged in by the several departments charged with part in this national recovery program will have amounted merely to the skidding of the wheels, digging us deeper into the mire. In realization of this, and in recognition of the fact that the vast surplus of cotton now existing must be reduced, the Administration has evolved a sound and an economical plan for bringing about a reduction in the surplus without at the same time doing violence to economic laws and without working a hardship upon any class. This plan has been fully explained to the farmers. More than 22 thousand workers in the field

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have for the past four or five days and are now engaged in the task of contacting the individual cotton producers, of whom it is estimated there are more than two million, the purpose of this contact being to explain the Administration's program and to solicit the cooperation of the producer.

It should therefore be unnecessary for me to take time today to say more regarding the plan than that as a producer of cotton, residing in the Cotton Belt, it is my deliberate judgment that the plan proposed is fair both to the nation and to the producer of cotton, that it affords the producer an opportunity to indicate to his Government if he is willing, even under favorable circumstances, to cooperate with the Government in accomplishing his own salvation. Apparently the proposal has met with approval at the hands of the producers, but there is evidence that in scattered communities and instances individual producers are indicating a spirit of selfishness; they are eager to see the plan carried to a successful termination, but are inclined to "let George do it," to hold back with the hope that there will be enough other producers go into the plan to make it successful. That is dangerous, unpatriotic, and unsound. Our attention is repeatedly being called to a tendency of sundry persons and associations engaged in supplying production credit to be selfish and avaricious. The success of this program depends upon cooperation on the part of both the farmer and the lender who holds a mortgage on the crop. If this plan is not successful, the holders of these mortgages in many instances will be glad to take a few cents on the dollar for thier debts. If it is successful, their debts will be collected. It therefore behaves them to cooperate with the farmer and to consent to have the farmer take part in the accomplishment of this plan.

The prosperity of the South, the economic recovery of the nation, each is dependent today upon the attitude of the American farmer. You responded nobly to every call made by your country in time of war.

Now, when your nation is confronted by a more deadly and a more insidious enemy which is attacking from within, we do not believe that you will fail to respond to the call being made upon you. Your nation's destiny and your prosperity are in your hands.

Tomorrow, throughout the length and breadth of the land we celebrate an anniversary of our independence, and while so celebrating the farmers of America lie shackled hand and foot by poverty. You are given an opportunity to strike off these shackles, to recover your economic independence, Will you lie supinely, whining, complaining, or will you do your part to celebrate the day of independence by responding to your nation scall? Make this "Victory Week", look up your county agent or a member of your county committee, sign your offering contract, and enable the Agricultural Adjustment Administration to declare at the close of this week that the cotton farmers of America have indicated their willingness to help their Government to help them restore prosperity to the nation.

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U.S.D.A. AGR. ADJUST. ADMIN



REMARKS BY CHARLES J. BRAND, COADMINISTRATOR, AGRICULTURAL ADJUSTMENT ADMINISTRATION, OVER THE COLUMBIA BROADCASTING SYSTEM, MONDAY, JULY 3, at 10:15 P.M.

Friends in the Cotton Belt:

Today the cotton growers of the South started the second week of the campaign to make certain that cotton prices this fall will not be dragged down by competition between a crop of normal size and a carryover of more than twice the normal size.

I come before the microphone this evening to express to you the faith of the Agricultural Adjustment Administration that the people of the South will do this job. I also wish to call your attention again to the fundamental reasons why your leaders sought the opportunity for you to do it.

One may readily expect that a campaign as widespread as this cotton adjustment drive will be hampered by unfounded rumors. This evening, I ask each of my listeners to center his attention on the basic facts of the cotton situation and the adjustment plan. Also to make certain that your neighbors base their decisions to offer to reduce cotton acreage upon the facts, and not upon speculations and hearsay and loose talk.

I ask you to remember three facts: First, the leaders of the Cotton Belt asked the Adjustment Administration to place its wide powers and great resources at the disposal of cotton farmers so that they might deal with the threat of the Cotton surplus; Second, the Administration considered carefully reducing this year's acreage in order to reduce the surplus and thus improve prices; Third, the Administration's cotton adjustment plan will work only if growers take hold of it and make it work.

Unless cotton producers themselves come in and offer acreage to be taken out of production, obviously acreage cannot be taken out of production. Unless acreage is taken out of production, we shall have a crop of normal size or larger to sell this fall. This fall's crop will have to sell at a price partly fixed by the size of the carryover. The carryover will be 12 million bales or more, the second largest in history. A carryover of that size is bound to act as a heavy drag on prices, and the larger the crop the heavier the drag of the carryover when the crop moves to market. We can't cut down the carryover. It is already here. The only way we can operate effectively and rapidly enough the present crop.

This cotton adjustment plan is an effort of the cotton producers to reduce the waste and confusion and the human injustice of allowing blind economic forces to run wild in the cotton industry.

Even before the Agricultural Adjustment Act was passed the leaders of the Cotton Belt were coming to the Department of Agriculture and urging that some action be taken to prevent a crop of normal size from meeting the fearful competition certain to be exerted by the carryover in the markets this fall.

Extension Service men were sent to make surveys in typical cotton counties. They reported that farmers realized the threat of the surplus to prices this fall, and that they were ready to cooperate in acreage reduction if they could be assured that their incomes would be large enough to meet their expenses. We then called a meeting of representatives of all phases of the cotton industry. It was held in Washington on June 3rd.

At that meeting manufacturers, cotton trade men, representatives of cooperative associations, and others pointed again and again to the certain depressing effect of the surplus on prices unless this year's crop were less than the normal of the past five years. And they were sure that this year's crop would be at least normal unless bad weather or severe insect inroads intervened. They had compared acreages in their home communities with the acreages of last year. They had seen that because of low prices of food and feed crops, and because of a surplus of labor familiar with cotton, growers had, as one man said, "plowed up the fence rows and the backyards" for cotton this year. Here is the way Mr. William D. Anderson, speaking for the Cotton Textile Institute, painted the picture:

(I am quoting Mr. Anderson's remarks as transcribed at the June 3rd conference). "We have a gigantic surplus of American grown cotton, 12 and a half to 13 million bales carryover on August 1st in prospect. We have an increased acreage in cotton already planted and rapidly coming toward maturity. If we should have a reasonable yield on that acreage, I fear that everything that has been accomplished so far that/to build up the income of the cotton farmer of the South, to increase his purchasing power, will largely be lost.

"The only way that I know to truly serve the interests of the Southern cotton farmer and those of us who have his interests at heart, and those of us who depend largely on his prosperity for our prosperity is to reduce the amount of available cotton that is to come on the market." End of the quotation.

Well, that was the tenor of all the reports and suggestions at that meeting on June 3rd. After the meeting we went through into all phases of the cotton situation. We considered ways and means of increasing the consumption of American cotton in foreign countries. We set efforts in motion to do that part of our job. We investigated the possibility that a processing tax applied to cotton might reduce consumption and thus hurt prices. As Mr. Peek told you in the first cotton adjustment talk over this station the evidence was conclusive that the processing tax need have no such effect.

We went into the question of whether or not by reducing this year's crop we incurred the possibility of losing some part of our foreign market. We found, as Mr. Cobb told you Saturday night, that this possibility is not even a remote one. We have nearly a year's supply of American cotton for the whole world on hand now if we never picked a pound this year, and there is small possibility of expanding cotton acreage suddenly and greatly in foreign countries. We export nearly 60% of our cotton production. The total value of all U.S. exports in 23 years was 120 billion dollars of this cotton accounted for 1/6 or 20 billion dollars.

Every avenue of approach to the problem indicated that cotton growers and all the people of the country had everything to gain and nothing to lose

by adjusting this year's cotton acreage. So we decided to use the coordinative power of the Government and help cotton growers make the adjustment — if they wanted it made. We agreed to offer producers the chance of signing applications for contracts to reduce this year's acreage from 25 to 50 percent in consideration of payments that would recompense them for the expense of bringing the crop along to its present point of development. These payments will enable the men who have debts to discharge them more easily than they would be able to if they harvested a normal crop, for the price of the crop they do harvest will be enhanced by the reduction of supply.

Now we are in the midst of the campaign to place the cotton contracts before every grower in the Belt and see if enough growers will offer enough acreage to warrant the Adjustment Administration in going ahead with the plan. Only if enough men offer enough acreage to reduce this fall's crop substantially will we be justified in carrying through the whole proposal. The decisions of cotton producers this week will fix the fate of the cotton adjustment plan.

Last week the campaign to adjust cotton acreage met the obstacles that are inevitable in organizing and supplying an army of 22 thousand men to call upon 2 million growers, offer the contract, check the acreage offered, secure releases from lien-holders, and so on. Nevertheless, the proposal has apparently met with approval at the hands of the producers who have been seen by the field workers. However, there has been evidence that in scattered communities and instances, individual producers, while eager to see the plan carried to a successful conclusion, are inclined to "let George do it;" to hold back with the hope that enough other producers will go into the plan to make it successful without their help.

Such an attitude undermines the very basis of the cotton adjustment plan. It would be more understandable if the men who cooperate were not to be fully recompensed. It is only understandable in the light of the belief some men hold that prices through some hocus-pocus would be just as good this fall if we threw a normal crop on the market as they would be if we cut the crop by three million bales or more. Let me again urge you not to fall prey to such a delusion. Let me fix your attention again on the hard facts that impelled Southern leaders to ask for cotton adjustment. Those facts are unaltered. They are:

First, part of the rise in cotton prices has been due to the decline in the gold value of the dollar; second, part has been due to improvement in demand and some of this improvement is due to temporary factors; third, part of the price increase has been due to anticipation of the success of the adjustment plan -- should it fail this prop will slide from under cotton prices; fourth, the carryover will be 12 million bales or more and will drag down cotton prices if a normal crop comes to market this fall.

Now a word concerning another difficulty which has cropped up here and there in the first week of the cotton adjustment campaign. In making up the schedule of payments for cooperating farmers, we used extreme care to make sure that every man is paid equitably for the work he has done. The payments are on a sliding scale according to the prospective 1933 yield of the land offered to be taken out of cotton production. This fair-pay schedule makes it necessary that farmers in their turn treat the Government in the same spirit of fairness and that local committees make rigid examination of all offers to determine that the yield estimates are reliable. Careful examination protects the Government.

Each individual offer is examined in the field, compared with gin records by careful committeemen, then it is examined in the county agent's office, and finally here in Washington. When we examined the early returns from some counties, it appeared that the estimated yields were too large. We are rechecking all these reports before we accept them.

The later returns are bringing the average yield estimates closer to the county average figures as shown by past records. I do want to emphasize the importance of each man being conservative and fair to his neighbors and the Government in making his estimates. Be sure that your estimates are in line with ginning records for previous years and the known facts on production

I want to say to you business men of the Cotton Belt that our attention has been called to a tendency of some persons and associations supplying production credit to be selfish and avaricious. That tendency is just as dangerous as the tendency of some growers to be deluded by price advances. It is dangerous to lenders themselves. Oscar Johnston of Mississippi, the director of finance for the Adjustment Administration, pointed this out in very clear mortgages in many instances will be glad to take a few cents on the dollar for their debts. If it is successful, their debts will be collected. It therefore behooves them to cooperate with the farmer and to consent to have the farmer take part in the accomplishment of this plan."

The Washington County, Mississippi, Credit Association made this same point in a letter issued to its clients last Monday. The letter urged clients of the association to sign for reduction, and concluded, "We hesitate to venture a prediction as to where the price of cotton will go this fall if the adjustment plan does not succeed."

I have mentioned the obstacles to the success of the cotton adjustment plan in the belief that field workers in the campaign, cotton producers who have not yet offered their acreage, and lenders on this year's cotton crop should be prepared to cope with these dangers. I feel now as I did when I addressed a radio audience on the eve of this campaign. I said then and I repeat now that the logic of the situation and the spirit of good will among men shown by the first responses in the adjustment campaign lead me to believe with dog-eat-dog economics.

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RADIO REMARKS OF C. A. COBB OVER COLUMBIA DIXIE NETWORK JULY 5, 10:15 P.M.

Charles of the Company of the Company Ladies and Gentlemen of the Cotton Belt:

We are well into the second week of the nation's effort to give the cotton producers of the South an opportunity to help themselves under the provisions of the Agricultural Adjustment Act.

I come to speak to you tonight with a report of the progress made during the 10 days this program has been before you. The facts of this report are neither encouraging, nor are they discouraging.

To have been receiving daily summaries since this campaign started. To have here an organization that is keeping in constant communication with the 22,000 workers who are presenting contracts to the cotton farmers. State extension directors are required to send us daily reports of the progress of the campaign in the 16 cotton states. I have before me the summary to noon today. We are yet far from our goal.

What does this mean? Secretary of Agriculture Wallace has been joined by Administrators Peek and Brand in the statement that this program would be adopted only if enough cotton farmers offered enough acreage of a sufficient yield to insure a substantial reduction of this year's crop.

Now I have said that I do not deem the situation as particularly discouraging. It does bring to us, however, a vivid realization of the tremendous task that confronts us in the few days that remain to put the campaign over and we in Washington recognize that in some parts of the Cotton Belt receipt of the contract forms and other essential data, have been greatly delayed. This has slowed the campaign down. We also have an appreciation of the tremendous task in contacting some 2,000,000 cotton farmers. This calls for a personal inspection of their acreage and explaining the terms and conditions of the plan. It is also probable that there have been numerous offers that are still in the hands of the county agents and yet to be reported to the state extension directors. Let me urge here, that daily summaries are promptly sent to the state extension directors. These and other factors have intervened to cause delay. The situation as reported to date undoubtedly falls far short of accurately reflecting the real progress of the campaign.

Even so it does give us some conception of the tremendous task that is still before us. It may even indicate that in some parts of the Cotton Belt there is a disposition to "Let George Do It." It is against that attitude that I come to warn you this evening. Such an attitude can defeat this whole program. The program defeated, the answer is-lasting hardship and injury to every cotton producer and every business in the South. Please get that fact.

Let us get back to fundamentals for a moment. Why was this program adopted? That is it designed to do? And -- let us answer this most carefully -- what will happen if we permit it to fail? in . , the second . . i.i.

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In the first place, Congress adopted a type of legislation that, if accepted, was designed to guarantee the farmer a fairer share of the Nation's income, the restoration of agricultural purchasing power. All this was to contribute to national recovery.

Congress recognizes the agricultural problem as the key to national recovery, and adopted the necessary legislation and gave a clear mandate to those in authority to extend to the depressed and discouraged agricultural groups the necessary means to achieve the ends sought.

No section has been more deeply affected by the merciless processes of deflation than the Cotton Belt. So, immediately the Agricultural Adjustment Act became law, plans were put into operation to give the cotton farmer an opportunity to take full advantage of the benefits made possible under this new legislation.

But--and it is most important to remeber this--Congress did not intend that these plans should be arbitrarily enforced upon the farmers. It has been the declared policy of the Administration that the initiative for action must come from the producers themselves. Without cooperation, born of initiative and a full appreciation of all the facts, it was recognized that no program could be successful.

So the leaders from the Cotton Belt were called to Washington. Farmers, cotton mill owners—every class was represented. They made it clear to us here that unless something was immediately done to prevent the large crop in prospect from going to the market this fall, the prices resulting would spell destitution again in the South this winter. The picture of cheap and unprofitable cotton—many have said six-cent cotton—was presented to the Agricultural Adjustment Administration.

It was agreed that this must be prevented, so the plan was immediately formulated and placed before the cotton farmer for his decision. He said it was fair. It has even been called generous by many of the cotton producers themselves. One of the essential features of the plan is to give the 2,000,000 cotton farmers themselves the opportunity and responsibility as well of deciding whether the program would be adopted.

With as much haste as was consistent with sound policy, the program has been placed before the cotton producers. The campaign has been under way in many parts of the field for 10 days. Let me say again, however, that I am not particularly discouraged that we have not already achieved our goal. The vast majority of cotton growers recognize the merits of this program and understand that unless it does succeed, no one can forecast what will happen. I am looking for a tremendous response in the few days remaining of the week. If we are to reach our goal, however, amount of cotton to reduce the excessive supplies—we must exert every possible energy during the remaining few days.

Now let us take a look at possibilities. In the first place, private crop reporting agencies predict that if the present crop is harvested this fall under normal conditions, 14 and one-half million bales is the prospect. The carry-over will be from 12 and one-half to 13 million bales. Add these two figures and there will be a total supply of between 27 and 28 million bales, far more than world markets can possibly absorb at a decent price. It is a supply figure that spells cheap cotton, cheap at selling time this fall. None of us likes to contemplate the

destitution and misery that would accompany another season of disastrous cotton prices. We of the South know what it means. The school of hard knocks has taught us what it means. We have also had borne in upon us the realization that the nation can not recover so long as one vast and important group of its people are without buying power.

But there is more to this program than an immediate attempt at adjustment of the supply of cotton so as to provide a sound basis for profitable prices. This is the first test of this "new deal" for agriculture. Accordingly as to how this program succeeds, it will have significant influence upon similar programs for other agricultural groups.

For years farmers have sought machinery whereby they might obtain a parity with industry and justice in the national economy. This new farm act gives them what they have asked, but they themselves must decide whether the plan shall work. As one who for years has actively championed the cause of a better day for the farmer I am convinced that this is the crucial hour in the history of American agriculture. The farmer has been presented with the opportunity for which he has so long been seeking. The cotton farmer is the first of the agricultural groups to be given the chance to seize this opportunity. So his responsibility goes far beyond his own immediate welfare. In his hands has been placed the possible welfare of his fellow farmer in other areas. He must not fail them, even as he must not fail his neighbor or his family.

We have a tremendous task before us. I fully realize that. But the challenge is one we must meet. Going back to the record of progress to date, I would not hazard an estimate as to the amount of acreage that has actually been offered under this plan. Other reports are coming in.

I am not trying to scare you. I am merely giving you the situation.

Now, I appeal to those cotton producers who have not signed the offers to follow the examples of their neighbors and join in this plan to bring better times to the Cotton Belt. Lack of cooperation from a sufficiently large number of cotton producers can easily cause this plan to be abandoned. Disastrous consequences would follow. The greatest difficulty with any program of this nature is the indifference of individuals who, it may be, have the balance of power in deciding what shall be done. Don't wait. Our efforts must not have been invain. So let us conclude this week with that tremendous response so necessary to success.

Undoubtedly the decision is yet to be made. There are thousands more who must agree to participate.

To those farmers who have signed let me say you can render an unparalleled service to the South and to yourselves by joining hands with the local committees and county agents in vigorously pushing this campaign to a successful conclusion.

It is appropriate tonight to repeat to you the appeal of our beloved President. He said: "The fate of any plan depends upon the support it is given by those who are asked to put it into operation. This program for the cotton producer essentially places the responsibility upon the individual farmer. He and he alone will, in the last analysis, determine whether it shall succeed. This plan offers the

cotton producer a practical, definite means to put into immediate application the methods which Congress has prescribed to improve his situation. I have every confidence that the cotton producer will face the facts and cooperate fully in the reasonable and practical plan that is proposed."

Let us see to it that the confidence expressed by the President in the cotton farmers of the South will be fully justified.

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REMARKS BY D. S. MURPH, AGRICULTURAL ADJUSTMENT ADMINISTRATION, OVER NBC NETWORK THURSDAY, JULY 6, 1933, WASHINGTON, D.C.

Friends in the Cotton Belt:

I come from the cotton country—Calhoun County, South Carolina. As an officer of the Agricultural Adjustment Administration, I am in close touch with the progress of the cotton acreage adjustment campaign, and have a keen interest in its success. I welcome the opportunity of coming before the microphone to give you news from the campaign and to talk over with you some of the important issues it presents to cotton growers and all other business people of the Cotton Belt and the Nation.

Since the campaign started we have been receiving daily reports from the field. Last week in the opening phases of the campaign we were occupied with getting supplies into all the counties where growers were to be offered the opportunity of adjusting their acreage in return for compensation payments. This week the great organization that will carry the offer to 2 million cotton growers has shifted into high gear. We are reaching the critical point in this effort to balance our cotton production with the effective demand for it, to increase the incomes of farmers, and to speed up business recovery by creating purchasing power in cotton growing communities.

When I say that the campaign has reached the critical stage, I mean that the decision is yet to be made by hundreds of thousands of cotton growers. Because of the physical difficulty of reaching each of the 2 million farms in the Belt less than half of the growers have as yet had a chance to make their decisions known. That is why, on the basis of reports made so far, we are yet far from our goal.

Of course this campaign cannot progress as rapidly as a campaign to secure signatures to a simple document such as a petition. The documents which are to be filled out and signed in this campaign record a property transaction.

They must be executed as carefully as any other legal document involving such considerations. That means time and effort. The acreage offered by each man must be checked by the local committeeman calling on him and agreement reached on the estimate of probable yield this year. A sketch map of the farm indicating the offered acreage must be drawn on each signed offer. In many cases releases must be secured from lien holders. And the document must have the attesting signatures of local campaign workers.

By the way, mention of these attesting signatures leads me to address a remark to you 22 thousand local workers in the campaign. The fact that you are excrting your greatest efforts to place the proposition before growers, obtain their signatures, and check and describe the acreage offered and the estimated yield must not cause you to grow careless in executing the approval section of each document. A few delays have been caused already by failure of committeemen to sign this section. Do not let the final rush of intensive effort cause you to emit your signatures and so lose the effect of your work. You are the representatives of the United States Government at the point of origin of these offers to reduce acreage, and it is part of your responsibility to make sure that the offer is fair to the Government, then to certify in due form that you have done so.

Secretary Wallace and Administrators Peek and Brand have made it plain that the cotton adjustment plan will be put into effect only if enough cotton farmers offer enough acreage yielding enough cotton to make a substantial reduction in this year's crop.

Therefore, I repeat that the cotton adjustment campaign is now in the critical stage. Cotton acreage can be adjusted only by the growers. We must

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put the offer before hundreds of thousands of them and secure their signatures in the next few days.

We know that many offers to reduce acreage are at this moment in the hands of county agents and have not been reported to the State extension directors nor to Washington. Our reports to date certainly fall far short of giving an accurate picture of the progress of the campaign. Let me urge that all of you field workers listening tonight be prompt in sending your reports to county and State headquarters.

We know that the campaign has been hampered and delayed by the physical difficulty of distributing the contract forms and other necessary supplies into 820 cotton counties within the 7 days which intervened between the announcement of the adjustment planeand the beginning of the campaign. In many counties, workers have been in the field equipped with all supplies for only a few days.

However, taking these facts into consideration, we now know that the success of cotton adjustment still hangs in the balance. I am confident, as are the other officers of the Administration, that the balance will fall on the side of sectional and national interest; that growers will reduce this year's crop in order to obtain better prices and more income.

The threat of the cotton surplus, hanging like a thundercloud over cotton markets for three years has impelled the Cotton Belt to ask this cotton adjustment program. If we keep our attention fixed on that surplus and remember what it has done to prices and will do again if not reduced, we shall not fail to cooperate in removing it. Through bitter experience we have learned that cooperation of producers is the only practicable method of bringing this menace under control.

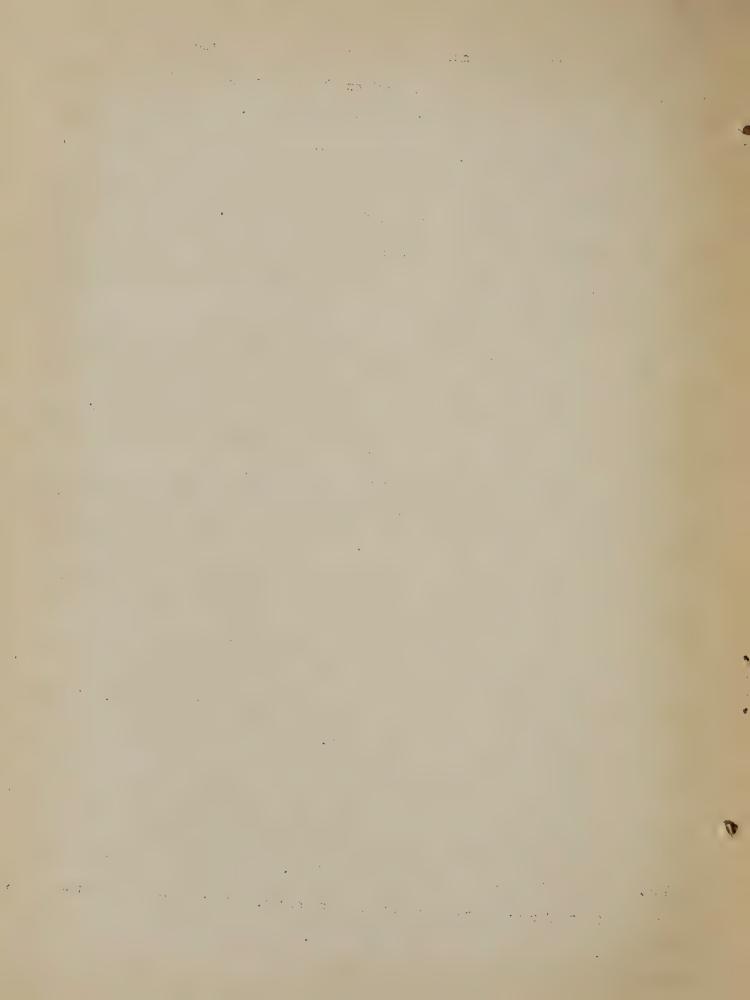
The full terror of too much cotton became apparent to the Belt two years ago
When the second official Government report on the acreage and condition of cotton
was made public in the summer of 1931, we knew that we were likely to pick the
second largest crop in history. We remembered what the largest crop in history,
that of 1926, had done to prices, and to the welfare of the people of the Cotton
Belt. We realized that the world demand for cotton in 1931, with the depression
closing in on business everywhere, was not going to be so good as demand had been
in the prosperous years after 1926.

As a result we gave attention to the proposals of the Farm Board to plow up every third row of cotton. But that couldn't be done, because no man could be assured that other men would plow up their cotton and there was no compensation for the man who did plow up his third row. Lacking such compensation features, this plan for otton acreage reduction failed.

During the following winter State legislatures received bills, and some of them passed, to restrict cotton production by making it a crime to plant more than a certain percentage of the 1931 acreage. But that fell through because not all States would go along, and it was apparent that the ones which limited production would penalize their citizens to profit the citizens of other States.

It is true acreage was reduced last year. That was brought about by the drastic decline of cotton prices which made it necessary for cotton farmers to groall their own food and feed if they were to keep off the charity rolls. They plan ed more feed and food crops and less cotton.

But this spring, the Cotton Belt found that food and feed crops were way down in price. Even though cotton also was low in February and March it had started up by planting time under the influence of changes in the gold value of the dollar. The threat of the surplus was still there. But what could the individual do about it? So far as he could figure his prospects, cotton seemed as good a bet as any crop. They all seemed pretty poor risks.



You and I compared the acreages of cotton in our communities with 1932 acreages and knew that more was going into the ground. We shuddered when we thought of the surplus, but we went ahead in the only way we could figure out to meet our expenses and keep our families alive.

But there was one hope. Profiting by the experience of the Farm Board appeal in 1931 and the State laws for cotton reduction in that year and 1932, the Congress was writing into the Agricultural Adjustment Act powers to assist farmers to cooperate in acreage reduction of the basic farm crops and thus get at our stubborn problem of bringing supply into line with demand.

The leaders of the Cotton Belt appealed to the Agricultural Adjustment Administration to apply these provisions of the Act to cotton this year. It was the only way they could see to prevent a crop of 14 million bales or more going to market this fall in competition with the carryover of 12 and a half million bales or more. They knew that if a crop of that size did go to market, prices would be dragged far below the point at which they would stand if the crop were cut to 10 or 11 million bales or less.

The Adjustment Administration answered the appeals of Cotton Belt leaders with the program that is now before you for your acceptance.

Heeding the lessons of the past, and the specifications of the Congress, the Administration drew a plan for cooperation which had a new promise— the promise that this time the men who cooperate will get the benefits. Whether a man chooses to take the straight cash payment or the cash and option arrangement as compensation for reducing his cotton acreage, he will increase his income this year by coming into the plan. He also will help to put a firm foundation under the price of cotton. Only by making a start this year toward removing the surplus can we be sure that better prices will continue.

I again assert my confidence that cotton growers will take the road of coop-

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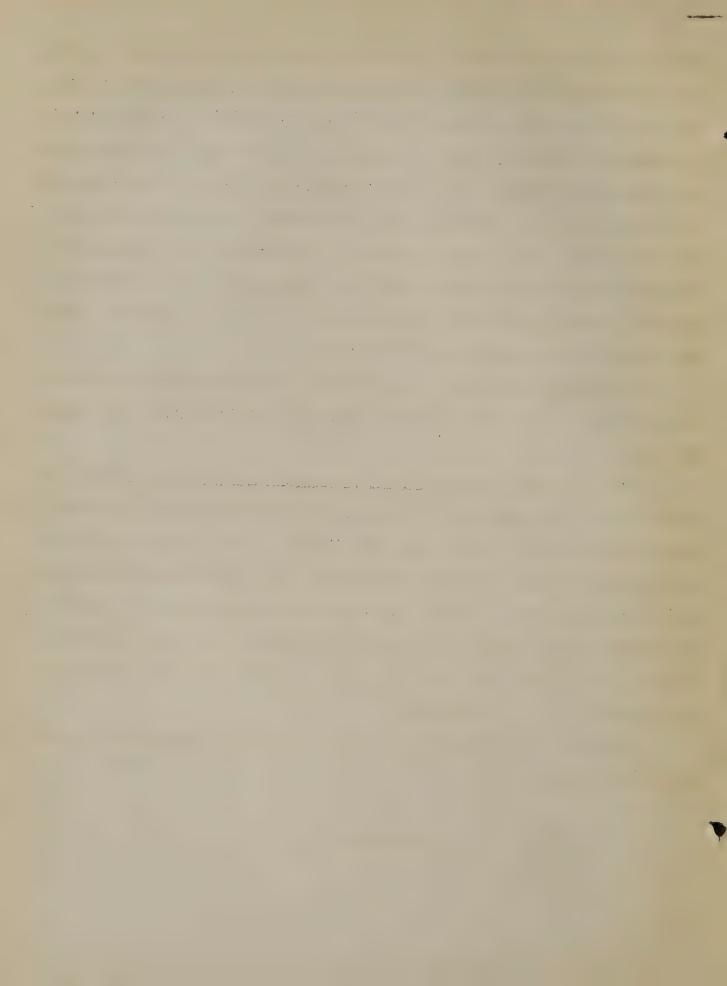
the adjustment plan into effect. The men who have already signed can make certain that their offers will be accepted, their incomes increased, and the price of cotton safeguarded against the threat of surplus if they will help their local committees complete the tremendous task of the campaign. The men who have not signed will speed the success of the campaign, hearten the workers, and bring closer the day when payments will go into their communities to help them and their neighbors if they will notify the local committees that they stand ready to offer acreage for reduction, measure and stake it, and stand ready to fill in the offers with a minimum of delay when the committeemen call on them.

In closing, let me repeat to you the appeal of President Roosevelt, which so often has been brought to your attention. He said, in approving the cotton adjustment plan:

"The fate of any plan depends upon the support it is given by those who are asked to put it into operation. This program for the cotton producer essentially places the responsibility on the individual farmer. He and he alone will, in the last analysis, determine whether it shall succeed. This plan offers the cotton producer a practical, definite means to put into immediate application the methods which Congress has prescribed to improve his situation. I have every confidence that the cotton producer will face the facts and cooperate fully in the reasonable and practical plan that is proposed."

It is up to us to justify the confidence the President expresses in the cotton farmers of the Nation.

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CBZU.S.D. A. AGR. ADJUST. ADMIN.





## THE COTTON PRODUCTION PROGRAM

A radio address by Cully A Cobb, Agricultural Adjustment Administration, delivered in the Department of Agriculture period, National Farm and Home Hour, Wednesday, July 12, 1933.

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To my friends in the Cotton Belt:

There remain 12 hours today for cotton producers in the South to join with their neighbors and their government in this first major undertaking to obtain justice for agriculture. For more than two weeks, a hard-working and loyal band of some 22,000 leading citizens of the South has been in the field presenting the cotton farmers—some 2,000,000 of them—the opportunity to participate in this program to adjust the supply of cotton to more nearly comply with the needs of world markets and relieve the price-depressing effects of the tremendous carry-over.

Remarkable progress has been made during the two weeks and two days that have clapsed since the first batch of contracts were sent into the field. Millions of miles have been traveled and thousands of farmers called upon. Necessity forced us to proceed as rapidly as possible in launching this campaign. To eliminate from production a substantial portion of a growing crop has been a race against time. That same necessity forced us to announce the conclusion of the campaign tonight. We know that those cotton farmers who have offered acreage for reduction are not only anxious to receive the cash payments that will be made if their offers are accepted, but are anxious also to get their lands in other crops. For that reason, among others, we can not delay this campaign further. Every offer should be signed and in the hands of the county agent or some properly authorized local or county committeeman by midnight tonight.

I would like to give some definite figures on progress. That is not possible at this time. We know that in excess of five and one-half millions of acres of cotton land has been offered under this program. Those figures were made public Saturday. They were incomplete and in many instances very fragmentary. Likewise, let me say, they were insufficient. Some reports have, of course, come in since last time. Yet the field workers have been so busily engaged in presenting contracts to the growers, inspecting their land and performing other necessary duties that they have not had time in many cases to send us complete reports of the acreage that has been offered. So even though it is our belief that the cotton producers of the South have responded to this program in a manner sufficient to assure its success, the producers can not afford to take chances. While ours has been a race against time theirs has been a race against disaster.

The final answer to this program is out in the field. We can only estimate as to what has been done in signing up the growers since Saturday. Each individual producer knows whether he has contributed his share to this program. He knows where he stands. It is important and necessary that this program go over as an unqualified success. This must be the answer to the whispering campaign of the opposition. It is the answer to better prices.

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We must receive a sufficient amount of acreage under this plan to substantially reduce the production of cotton this fall. This program must succeed if the Southern cotton farmer and the many agencies and individuals directly dependent on his welfare are to be saved from the disastrous consequences of cheap cotton. I would go further than that. This program must succeed if the efforts that are now being made to restore agriculture and bring about national recovery are to be a complete success. Then there is another important consideration that should be given careful attention by every cotton producer and every interest in the South that has helped or can help in this program. That is: What is the alternative of this offer? If this one can't be put over can anything be put over? Let it be remembered that this program is not our program. It was devised after consultation with the grower and their representatives. It is a practical, it is definite and will work. The action of the market has already made that fact plain. not accepted, I can not conceive of a plan that would be acceptable. So the issue is up to the farmers. Now may I say I have every confidence that the cotton farmers will vote their full cooperation with their government and with their neighbors in this the most gigantic effort ever made to restore prices. But, let me repeat, the final answer is still in the field. It is not the offers that have been received in Washington up to the present time, but the offers that are yet to be received that will determine the outcome. Any cotton farmer who has not signed should do so in the hours that remain. It is not only his duty to participate, but it is distinctly to his advantage to do so.

I would also call attention to the opportunity that is being offered to producers who have already signed contracts. Many inquiries have come to us from cotton farmers who realize the absolute necessity for the success of this program. I want to congratulate these upon their vision and fine sense of responsibility. These men, having already signed offers to reduce a certain portion of their acreage, want to know if they can increase the amount which they have agreed to take out of production. They do not want to see the program fail and realize that it must not. Our answer to them is that if necessity compells it (we will know about that soon) they can sign another offer to further reduce their acreage up to 50 percent of the total acreage they have planted in cotton. Of course, their cash payments, and, if they elect, their amount of option cotton will be increased in proportion to the amount of additional acreage they offer. We don't want to do this. It will slow things down. But we may have to do it.

We should remind ourselves only a few hours remain. But indeed very much can be done in that time. Don't wait for some one to come and see you. Find your local committee or county agent and sign.

The success of this program, when and if it is adopted, will be measured largely by the number of producers who participate. We are just as anxious that the small planter with a few acres receive his cash payments in return for reducing his cotton acreage as we are that the large plantation owner participate. In fact, it is the producer with the small farm about whom we are most concerned. It is to him and his family that this Agricultural Adjustment Act is designed to extend greatest benefit and greatest security. In this cotton campaign, all of the large planters from whom we have heard are joining in the program. They see wisdom of adjusting the production of the large crop that is destined to come to the market this fall unless something is done. They understand that a stable price can not be expected unless this is done. They understand that a stable price can not be expected unless this plan is adopted and put into operation.

It is towards stability in prices that this program is directed. That is the aim of the Agricultural Adjustment Act—to balance the prices of farm products, to achieve a parity with the things the farmer sells and the things he has to buy. To that end, cotton farmers have been presented with the first opportunity to benefit under the machinery adopted by Congress to bring about that equality with industry and other lines of business. I do not believe the cotton farmer will be misled by the recent fluctuations in cotton prices. He has learned from bitter experience that a price advance in the summer puts little money in his pocket. What we want is a price this fall. The advances are largely due to the anticipation of the speculators that this campaign to reduce production will succeed. If it should fail, the more than 40,000,000 acres that are now planted in cotton would be harvested and another big crop would result in disastrous prices, at the time when prices mean something to the farmer.

As a final appeal I urge every cotton producer to buckle up for this final drive toward victory. And what a victory it will be if the program goes over.

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RADIO REMARKS OF GEORGE N. PEEK, COLUMBIA BROADCASTING SYSTEM. 10:15 p.m., JULY 14, 1933.

The news that all cotton producers are waiting to hear tonight is whether or not the campaign to adjust this year's cotton production is a success. I am happy to report to you, that it is. I say that it is a success, knowing that there are yet problems to be met. But I think we can be sure that the results of the past two and one-half weeks! of effort have been sufficient to justify the statement that the cotton producers of the South have adopted this plan and that the first major undertaking under the Agricultural Adjustment Act has met with great success.

Less than four weeks ago-on the evening of June 19, to be exact-it was my privilege to talk to the cotton growers of the South from this same radio studio. I then undertook to explain to the cotton farmer just what the program meant, the necessity for his seizing this opportunity, and how it could be done. What has transpired during the intervening days to my mind, marks an epoch in American agriculture.

It has been said many times that the Government could do nothing to help the farmer. Critics of the various farm relief plans that have been presented in the past have repeatedly charged that it was futile to try to help agriculture because the farmer is too individualistic. He won't cooperate, these critics said. Tonight we have the answer to that criticism. It is with genuine gratification that I report to you tonight that during a period of less than

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three weeks more than one-half million cotton producers have offered to their Government more than 9,000,000 acres covering approximately 3,500,000 bales of this year's cotton crop in this program aimed to restore farm purchasing power. I hope that those who have accused the farmer of lacking the cooperative impulses to join in a common cause for the welfare of himself and of his fellowman will take particular note of that report.

I wish to repeat a statement I made in announcing this cotton program. I said then: "The Government is seeking first to ascertain the wishes of the farmers.

If the response is convincing, the farmers will be compensated for cooperating in a program designed wholly for their own benefit."

Tonight -- less than three weeks after this program was taken to the field: -I can report that the response has been convincing and that the machinery is now moving to carry out the pledge of Government that the compensation for this cooperation soon will be forthcoming.

These past three weeks are historically significant for the South and for agriculture generally. It is always difficult to assess properly the importance of turrent events. But I say it advisedly when I say history has been made during these days. You of the South have accomplished something that is of more than passing importance. And I am speaking of the hundreds of thousands of cotton farmers who have joined with their Government in this first major effort for agriculture and of the more than 22,000 voluntary field workers whose tireless and intelligent activity resulted in this successful response to the program. They have worked literally day and night to put it across. Working with the agricultural extension forces of the South, these volunteer workers have given a demonstration of fine citizenship. I wish to express my personal appreciation and the gratitude of the administration in the lateral terms for their requires. They have mean temporary newspapers, and many others

in Washington for this service. Business men, bankors, newspapers, and many others gave valuable help in this campaign. I wish tonight to acknowledge their great contribution.

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utaria de la companya de la companya de aporte de la companya de la co Those of us in Washington who have watched the day-to-day development and progress of this cotton campaign have a full appreciation of all that has been involved in this campaign. I want to review, briefly, just what has been accomplished. In doing this, I wish to make plain that to the cotton producers themselves and to those 22,000 loyal and patriotic workers who presented the program to the farmers, belongs the credit for this victory in the battle against the unrestrained forces that have so viciously depressed agriculture.

When the Agricultural Adjustment Act became a law, we immediately turned our attention to the long-neglected problem of cotton. We recognized the existence of an emergency. A huge surplus which had accumulated since 1928 had reduced the normal incomes of cotton farmers last year by more than two-thirds. It was a disaster that has few parallels in southern agriculture. There was a large growing crop in the ground. The prospects for a decent return to the cotton farmer this fall were dismal.

The leaders of the South were clamoring for action. We selected Mr. Cully A. Cobb, one of the agricultural leaders of the South, to direct the cotton production control section of the Agricultural Adjustment Administration. He came to Washington and immediately went back to the Cotton Belt to confer with the people there. He found an almost unanimous sentiment that action was imperative.

Accordingly, we called to Washington at once the leaders of the cotton industry. On June 3, representatives of growers, processors and handlers met with us. They insisted that the production must be reduced this year or a repetition of the disastrous conditions of last fall was inevitable. So we proceeded with as much haste as was consistent with the size of the task. We took the plans that were evolved from these conferences with the people from the cotton South, and presented them to the growers.

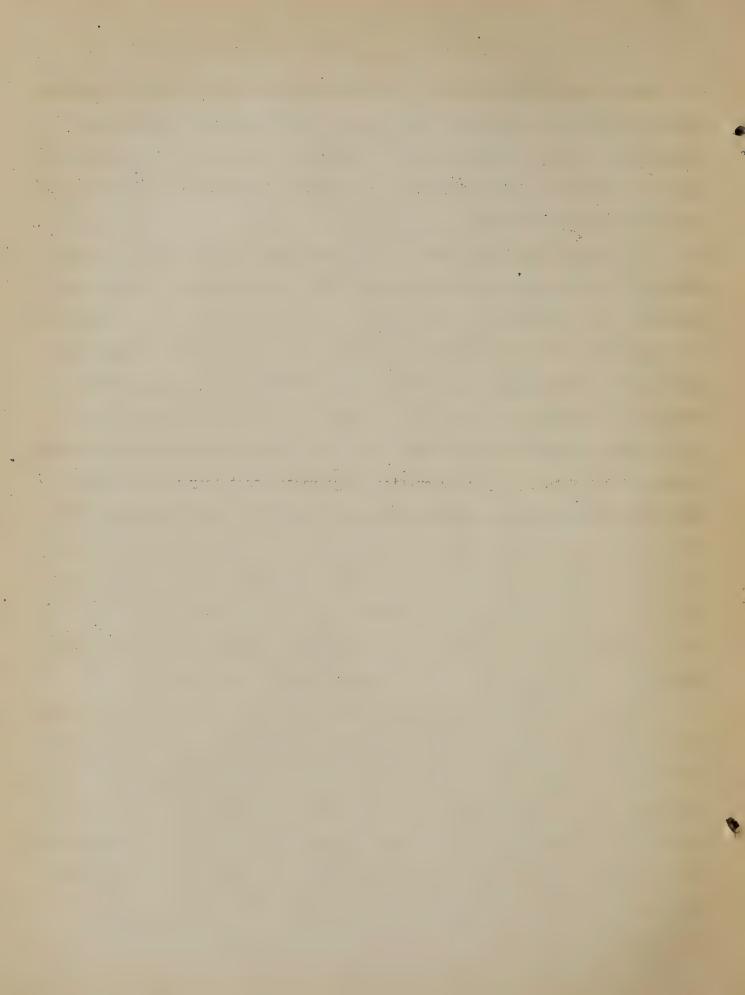
It was not until June 26 that the cotton campaign really got under way. We had to educate ourselves to the many details of the plan; the 22,000 workers in the

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field had to master those details, too; eight million contract forms and other data had to be printed and gotten into the hands of these workers; a multitude of things had to be done in preparation for an undertaking so vast in its scope. The plan itself depended for success upon the voluntary cooperation of the cotton farmers to whom it was presented.

Yet in less than three weeks, these things were accomplished. Obstacles which had not been anticipated and could not have been anticipated were met and overcome. But, exceeding in accomplishment any feat of organization that may have been worked out during this brief period, was the response from the growers themselves. The campaign was in the nature of a referendum; and the main question, aside from the efforts to improve the immediate welfare of the cotton farmers, was whether these farmers would join hands with their Government in a unified and cooperative effort to achieve the objective. The farmers of the South have voted in the affirmative. They have spiked unwarranted fears from many sources that voluntary cooperation from farm groups could not be obtained. They have taken a long step on this new trail that leads to practical and sensible planning for agriculture. It is indeed heartening to those of us who have been charged with the responsibility of administration to know that we have received that support from such a vast and important group as the cotton farmers of the South.

But even though we are greatly encouraged, this is not the hour for jubilee. Practical considerations lead us to sober reflections. The cotton producers have achieved only a partial victory. The main job has yet to be accomplished. The cotton farmers have voted to adopt this plan to adjust the production of this year's crop. That adjustment has yet to be made. Offers that meet the legal requirements will be accepted. Individual acceptances will be sent to the cotton farmers and, upon sufficient evidence that they have complied with the terms of the contract, the cash payments will be made.



We have confidence that the cotton producers will faithfully and diligently perform the terms of their offers, which become valid and binding contracts only when they are accepted by the Secretary. We know that the producers who have signed these offers are eager to receive the payments they have agreed to accept. We know that they are also anxious to utilize the land that is to be taken out of production. So we are moving swiftly in the examination and review of these offers. They will be accepted and the cotton producers will be advised how to proceed as quickly as it is possible.

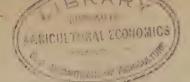
So, even though we all have cause for gratification over the response that has been made to this program, it will have been in vain without the faithful performance on the part of every producer who has entered into a contract.

I believe that the ready and intelligent manner in which the cotton farmers have taken hold of this program is sufficient guarantee that they will carry on until every condition necessary to its complete success has been fulfilled.

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REMARKS BY CULLY A. COBE, AGRICULTURAL ADJUSTMENT ADMINISTRATION, OVER A NATIO BROADCASTING COMPANY NETWORK, FRIDAY, JULY 14, 1933, AT 10:15 P.M.

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It is my happy privilege to report to the cotton farmers of the South tonight that they have offered a sufficient amount of cotton acreage to the Secretary of Agriculture to warrant his proclaiming the program in effect. Specifically, a total of 9,580,576 acres, representing more than 3,500,000 bales, have been reported to us from the sixteen cotton producing states. Scattered returns from "precincts" yet to be heard from will add to this total. But the result is definite. The cotton producers of the South have won the first half of a great and assured victory and have by their action elected to launch upon a program of planned production that will bring great benefit to the entire South and materially aid the nation in its surging march toward economic recovery.

This has been a great campaign. On June 19, the "Plan for Applying the Agricultural Adjustment Act to the 1933 Cotton Crop" was announced by Secretary Wallace and Administrators Peek and Brand. What has happened in the days that have followed has made history for the South and for American agriculture. The plans that were taken to the field depended solely upon the voluntary cooperation of the farmer for success. Today at 1:45 o'clock, Secretary Wallace announced that this voluntary cooperation had been obtained and that those offers which met the necessary requirements would be accepted.

Secretary Wallace and Administrator Peek were particularly pleased over the response that was given to this program by the cotton farmers of the South. Tonight in an address, Mr. Peek asserted that this response was a definite answer to the critics who have contended that the farmer would not cooperate in any voluntary effort for his own welfare and the welfare of his fellow farmers. I have been convinced from the beginning that this was precisely the kind of an answer that would be made in the South. I knew that the cotton farmers realized the emergency situation that existed and that they knew something had to be done about it. And, after all, this plan that has been taken to the field is the plan which the producers themselves asked for. Yet it is heartening, as Mr. Peek has said, to those here in Washington charged with the administration of this program for agriculture to know that they have received the support of the cotton producers of the South. I wish to re-echo what Mr. Peek said tonight in the report he is making on this cotton campaign that the cotton producers of the South have blazed the trail in this new line of march for agriculture.

I was called to Washington on May 23. To me was assigned the task of organizing this campaign among the cotton producers. In the Department of Agriculture I found men who were keenly aware of the acute problem of the Cotton Belt and to their valuable services and knowledge was added the efficient and capable administrative abilities of the experienced farm leaders who were called in to help in this emergency.

As a first step we began to formulate the plans and policies for a better adjustment of cotton to demand. It was recognized that the program had to be obtained from the field, from the counsel and advice of men who have spent their lives producing cotton, those who process it and those who handle it. So on



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June 3, following preliminary conferences, these men were called to Washington. They knew the problem. They knew that last fall, the cotton farmer's income had been reduced more than two-thirds from the normal amount of money received for the cotton crop. It was immediately recognized that at the base of the problem was the huge surplus that had been rapidly accumulating since 1928. It was agreed that it was imperative to prevent the big crop that was in the ground from going to the market this fall to compete against the already existing surplus of more than 12,000,000 bales. So a plan was evolved. We were told that the cotton farmers wanted action, that the South was insisting that something be done. I knew that to be the case. It was determined to immediately act upon these pleas and the results have more than justified the statement that the cotton producers wanted action.

Back of these figures of nine and one-half million acres that have been offered for this acreage adjustment program is a story that is without parallel in the history of American agriculture. A marvellous achievement has been wrought. The cotton plan was announced on June 19 with the approval of President Roosevelt. On June 28, the first offers were in the field and being signed. In less than one month after the program was formally announced and less than three weeks after the actual field work began, we announced today that it has "gone over the top." I do not know of a similar accomplishment in such a short space of time. The task that was involved in this campaign was not a simple one. More than eight millions of contract blanks had to be printed and sent into the field, together with instructions, regulations and other necessary materials. An organization to carry out the many details had to be perfected and put into operation. Yet the task in Washington was comparatively simple as compared to the problem that confronted those in the field. It was upon them, the agricultural extension forces, the vocational teachers and other agricultural agencies that the burden of organizing the work that led directly to the cotton producers! door step devolved. They have done a wonderful piece of work and to them I pay a deserved tribute tonight. But none of it would have been possible without the patriotic and intelligent leadership of some 22,000 volunteer field workers. They worked night and day to put this program over. Their services to their neighbors and to their nation can not be measured.

Yet aside from these things, as significant as they are, the most magnificent thing that has occurred is the wholehearted response from the cotton producers themselves. They have clearly demonstrated that the cotton farmers of the South have the cooperative impulses necessary to join hands with their neighbors and their government in a tremendous undertaking. Their response to this program is a source of deep satisfaction to me and, I can assure you, that our leader at the White House is not only aware of what you have done but is also deeply appreciative of the support his program has received from the cotton producers of the South.

I feel that I would be remiss in my duties tonight if I failed to acknowledge the splendid assistance extended to us by the many agencies in the South which have so generously assisted us. In the first place, the fine sense of responsibility of our Senators and Congressmen has been a most valuable asset in putting this program over. Likewise, state administrations, in the main, have cooperated to the fullest extent. They placed the full force of their state governments behind this program and helped carry it to this successful stage. The press of the South has, as it always does, intelligently assumed leadership in



informing the people of the importance and necessity for the success of these efforts. The cotton manufacturers have shown a wonderful spirit and have been most helpful. The radio stations have given freely of their time that this plan might be publicized to the fullest extent.

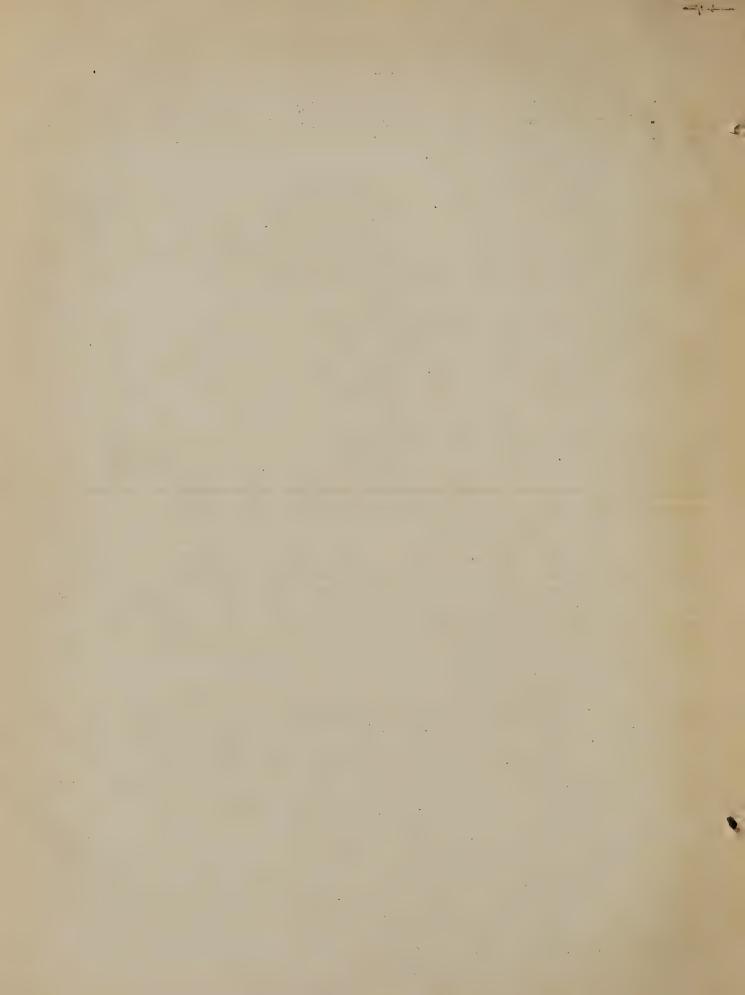
To all these agencies and persons and to all others who have joined in this campaign, we are all most grateful. I wish to add my personal acknowledgement of their services and express my deep appreciation to them. So we can declare tonight that the initial victory has resulted from these united efforts. In the final analysis, however, this victory belongs to the cotton farmers. They have not only taken the first important step towards helping themselves and their neighbors, but they are making a distinct contribution to national recovery.

But let us remember that there is yet a job to do. It is too early to proclaim a complete victory, although the first important step has been taken. The cotton farmers have agreed to adjust their production by taking cotton out of production. This is yet to be done. I have full confidence, however, that they will continue with this program until every condition necessary to its complete success has been fulfilled.

I would like at this point to make clear that although the Secretary of Agriculture has announced he will put the plan into operation, this should not be construed as the acceptance of all individual offers. Under the regulations, the producers must receive individual acceptances. The offers are being received in Washington daily by the tens of thousands. They are being tabulated, reviewed and examined. Those that meet the necessary legal requirements will be accepted and the checks for the rental payments and the options on government-held cotton will be sent out immediately upon sufficient evidence that the producer has complied with the terms of the contract. I wish to warn the cotton farmers not to plow up the acreage they have offered until they have received individual acceptances of their offers and have been advised by their county agents or local committeemen as to how to proceed. It is probable that there are some offers that have been sent to Washington that are legally defective and for that or other reasons must be rejected or the defects remedied. I would advise all cotton producers to be safe and wait until they have received their individual acceptances and definite advice as to what shall be done.

Let me say, however, that every thing possible is being done to facilitate sending out these acceptances. They will be sent in lots to the county agents and by them distributed to the producers. Within a very few days, these acceptances will be on their way to the Cotton Belt with full information as to how to proceed in completing the contract. We are also bending every energy towards a prompt distribution of the rental payments and the cotton options. When the producer has received his acceptance, complied with the terms of the contract and evidenced such compliance in the proper form, the checks will be promotly forthcoming.

When the acceptances of these offers made by the cotton farmers of the South have been received, a solemn covenant will have been sealed. This covenant extends beyond the two immediate individuals involved — the individual producer and the Secretary of Agriculture. It encompases every individual whose mode of living is influenced by the production of this great crop; it affects every section of the nation. Even though we are encouraged over the response that has been made we should not lose sight of the fact that there remains a job to do. There is a final step necessary to complete the victory.



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# THE COTTON ADJUSTMENT PROGRAM.

A radio talk by Cully A. Cobb, Agricultural Adjustment Administration, delivered in the Department of Agriculture period of the National Farm and Home Hour, Friday, July 21, 1933, and broadcast by a network of 49 associate NBC radio stations.

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Ladies and gentlemen of the Farm and Home audience:

The cotton adjustment campaign has now reached its final stage. Growers have responded splendidly to the program, as we all know. Now comes the time for performance and it is about such performance that I desire to speak to you briefly today.

But first, I wish to give to you a statement from President Roosevelt who, recognizing the accomplishment of this campaign, yesterday extended his congratulations to the cotton growers.

In a statement issued from the White House yesterday, the President said:

"The whole hearted response of the cotton growers to the first test of the Administration's program for Agriculture is not only deeply gratifying but is also evidence of an intelligent determination on the part of farmers to take the necessary steps to improve the price and buying power of their products. I wish to offer the forces who are putting the cotton program into effect, my heartiest congratulations upon the initial success achieved and at the same time to urge the farmers that nothing be left undone to make the program completely successful."

We should note the plea in the final sentence of the President's statement: "that nothing be left undone to make the program completely successful."

People are amazed at the wonderful success of this sign-up campaign. Yesterday, one of the South's leading cotton manufacturers was in Washington. He brought to me the enthusiastic report that the South felt that this acreage reduction program was one of the greatest things that has ever happened.

This manufacturer -- Mr. Cason Callaway, of Georgia, said we have accomplished an amazing thing. "No one believed that this could be done," he also said. "The man in the street said that you couldn't get the farmer to cooperate with the government in any program of this sort. And now it has been done."

Mr. Callaway's attitude is typical of that expressed to us by many of the South's leading citizens and by people throughout the nation. So the cotton growers of America have done this "amazing thing."

But let us get back to the plea of President Roosevelt that nothing be left undone to make this program completely successful.

That means that producers who have signed contracts should begin immediately, upon receiving authorization, to destroy their crops. It was announced to you over this Farm and Home Hour last Tuesday that arrangements had been made for plowing up cotton acreage without awaiting the receipt of the formal acceptances

from Washington: Yesterday, the requests for this permission and the permits to be signed by the county agents were gut into the mails in large quantities.

Producers who desire to plow up their crop they have agreed to take out of production can do so immediately upon making application to the county agent and getting the required permit. This means that throughout the Cotton Belt in these emergency cases, the farmers will begin next week to destroy that portion of their crop offered to the government.

These applications for permits which the producer is required to sign in order to take his crop out of production without awaiting for his formal notice of acceptance are simple and definite. The producer is required to make certain representations that would be and will still be required in his performance papers. And he agrees that all irregularities, imperfections, omissions and inaccuracies that may be contained in the original offer forwarded to Washington may be corrected. The important thing, however, is that the producer with his permit signed may proceed immediately to plow up his crop and utilize the land for the uses permitted.

So those producers who are anxious to begin the destruction of their crop should see their county agent. If a farmer's offer was approved by the county agent and the local committee, he may procure the necessary permit and proceed immediately to take the land out of production.

Hundreds of thousands of offers have been received in Washington. A large force is working day and night consolidating the results, reviewing and examining these offers. Everything possible is being done to facilitate the formalities necessary to place the money in the hands of the farmer. I can not now say just when this will be. But it will be soon -- just as soon as a large and efficient organization, working day and night, can get the job done. Of course, the producer is required to make the proper certification that he has taken his land out of production before payment will be made. But the machinery is all set and geared to make a prompt distribution of cash payments and options.

I would like to conclude these remarks with a statement made by Secretary Wallace to the agricultural press concerning this campaign. The Secretary has shown a deep interest and concern in this campaign and was gratified at the first results. Here is his statement: (I'm quoting)

"It has been my privilege and responsibility to help devise ways and means of restoring the price of farm commodities. The program applying to cotton was launched in the belief that farmers of the Cotton Belt would accept it as offering a definite opportunity to materially improve their positions. The result following the presentation of the plan to the growers is an overwhelming affirmative answer — an answer that is of the deepest gratification. The action of the cotton farmers lays a foundation of confidence under the entire Agricultural Adjustment program. To every farmer and to all others who have participated in this campaign, I wish to express my sincerest appreciation for their fine contribution to our program of Agricultural recovery."

So we have gone the "first mile" successfully. It is the "second mile" that is sometimes the most difficult. Yet we anticipate no difficulties in pushing this program to a successful conclusion. Every cotton farmer who has signed an offer should, as I have stated before, continue until every square foot of the land offered has been eliminated from production. The means are now at your disposal to do that and in the final analysis, how well this is done, will determine the ultimate success of the adjustment program for cotton.

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AGRICULTURAL ECONOMICS

A radio interview between Cully A. Cobb, Agricultural Adjustment Admir tration, and William Morris, Texas cotton producer, delivered in the Department Agriculture period of the National Farm and Home Hour, Friday, July 28, 1933, broadcast by a network of 48 associate MBC radio stations.

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COBB:

Hello, Farm and Home folks: It is indeed a pleasure to have the privilege of introducing to you today the man who received the <u>first</u> Government check in payment for the cotton he destroyed under the rules and regulations of the cotton adjustment program of the Agricultural Adjustment Administration.

William E. Morris is the name of that man.

Mr. Morris is a tenant cotton farmer in Mueces County, Texas. He lives 12 miles southwest of Corpus Christi, and less than 150 miles from the Mexican border.

Mr. Morris was the <u>first</u> man to sign an offer to reduce production in his county. He was the <u>first</u> man to sign an emergency permit to destroy cotton. The <u>first</u> man in his county to plow up cotton, and the <u>first</u> man in the United States to receive a Government check for taking cotton out of production.

Mr. Morris is a tenant on the farm of George J. Merriman. Under the terms of the tenant contract Mr. Morris gets three-fourths of the cotton, and Mr. Merriman one-fourth.

Morris had 159 acres in cotton when he signed the application offering to reduce his production. He offered to take 47 acres or 30 per cent of his crop out of production under the rules and regulations of the cotton adjustment program.

The land that Mr. Morris cultivates is level, black and rich. It was a tick-infested cattle ranch less than a quarter of a century ago. Today it is a rich cotton country. Nucces county is one of the biggest cotton producing counties in the United States. Last year the Morris land produced under slightly unfavorable conditions an average of 180 pounds of lint cotton per acre. The prospects for this year are for a crop of at least 250 pounds or a half-bale per acre. All that without any fertilizer. His crop was not fertilized.

Mr. Morris' claim for yield of 250 pounds of lint cotton per acre is not high in light of last year's production and the fertile soil he is cultivating, and his claim for payment based on a yield of 250 pounds per acre was allowed.

He elected the <u>combination</u> cash payment and cotton option plan, and was paid according to the rules and regulations of that plan. Under that plan he received a cash payment of \$11 an acre or a total of \$517 in cash plus an option on 23 and one-half bales of Government held cotton.

The object of the cotton adjustment program is to reduce the amount of cotton to be marketed this fall. And that's exactly what Mr. Morris' offer did. In plowing up 30 per cent of his crop Mr. Morris prevented approximately 23 and one-half bales of cotton from maturing and reaching the market this fall.

That will not only help the cotton situation by helping to provide a better balance between supply and demand but the 517-dollar cash payment will provide ready cash to help pay for the harvesting of the remainder of the crop.

Mr. Morris and I have just returned from the White House where President Franklin D. Roosevelt presented Mr. Morris with the payment check we have been talking about. Mr. Morris is here in the studio and I feel that under the circumstances we must persuade him to at least say hello, to his family, and his friends down in Texas. Ladies, and gentlemen of the Farm and Home audience --- Mr. William E. Morris.

# MORRIS:

Hello friends, and that includes my family at home, too.

I'm not used to talking over the radio. Never saw a microphone before, and I don't know how this sounds, but I know one thing --- I'm having a good time.

## COBB:

Mr. Morris, tell us about your airplane trip up here.

## MORRIS:

Well, it was a grand trip. We got lost in a fog and delayed for 4 or 5 hours. We got so far behind that we had to leave the airplane at Cincinnati and take the train for Washington.

#### COBB:

Did you get sick on the airplane?

# MORRIS:

Well, I didn't pass out, but I got pretty "woozy" a time or too.

# COBB:

Well, we're mighty glad you're here, Mr. Morris. Now tell us, what do you think of the cotton adjustment program?

#### MORRIS:

Oh, I'm for it. Yes sir. I think it's a fine thing, and I'm offering to take more cotton out of production than I was paid for today.

# COBB:

You are?

MORRIS:

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Yes. I plowed up 47 acres of cotton on Mr. Merriman's farm. That's the cotton the President paid me for over at the White House a few minutes ago. But I'm taking 37 acres of cotton out of production on another farm. All told I'm plowing up 84 acres out of a total of 290 acres.

COBB:

What are you going to do with that 517-dollar check the President gave you a little while ago for plowing up the 47 acres?

MORRIS:

I'd like to frame it and keep it, but I can't do that. I need the money too badly. So I'll give Mr. Merriman, the landlord, his share of the money and use my share for helping to pay for the harvesting of the remainder of my cotton crop.

COBB:

You won't have any trouble using that money will you, Mr. Morris?

MORRIS:

No sir. I can use it all right, especially at this time of year. Money is generally scarce with a cotton farmer at this season, and a little ready cash such as we are getting from plowing up cotton will sure come in handy. That's one thing that caused me to sign up to reduce production.

COBB:

You have some option cotton, too; when are you going to sell that?

MORRIS:

I don't know. I've been so busy plowing up cotton and getting to Washington to get this check that I haven't thought about the option cotton. I'll get to that later.

COBB:

Well, Mr. Morris, we're delighted to have you with us on the Farm and Home Hour program today, and we hope you'll have a pleasant trip home. Don't you want to say goodbye to your family, and the friends of the Farm and Home Hour?

MORRIS:

Yes, thank you, Mr. Cobb. Goodbye folks, and goodbye children. I'll be home Monday the Lord willing.

(END)